

Student Name:

PES

2018 BUSINESS MANAGEMENT UNIT 4

Outcome 2

IMPLEMENTING CHANGE

QUESTION BOOK

Structure of book

<i>Number of Questions</i>	<i>Number of questions to be answered</i>	<i>Number of marks</i>
3	3	50
Instructions: Answer all questions in the space provided		
Duration of task: 80 minutes and 10 minutes reading time		

- Students are permitted to bring into the SAC room: pens, pencils, highlighters, erasers, sharpeners and rulers
- Students are NOT permitted to bring into the SAC room: blank sheets of paper and/or white out liquid/tape.

Materials supplied

- Question and Answer Book of 11 pages.

Instructions

- Write your name and your teacher's name in the space provided on the front page of this Book.
- Answer all questions in the spaces provided.

Students are not permitted to bring mobile phones and/or any other unauthorised electronic devices into the SAC room.

Greenways Wholesale Nursery (GWN) specialise in selling fresh potted herbs to supermarkets, restaurants and plant retailers. Jordan Collins, CEO addressed a strategic planning meeting with the senior managers following a year of poor business results.

'This meeting will determine our futures. None of our jobs are secure and, in fact, the ability of the business to continue operations will depend on the decisions made by this group. We have not met either efficiency or effectiveness indicators over the last 12 months and our investments into new technology have failed to deliver the promised increase in productivity growth and net profit. We waste nearly a third of our total production with stock being rejected at the quality inspection stage. The rise in customer returns and number of customer complaints is also damaging our reputation. Most of our experienced sales staff have left and been hired by our competitors.'

Today I am relying on the expertise of my senior management team to use the data provided to fix these problems so we can move forward'

Jordan Collins, CEO

Greenways Wholesale Nursery has just received the following data covering the last 12 months of operations:

Key Performance Indicators:	2016 (12 months to June 30)	2017 (12 months to June 30)
Number of sales (Units)	4.5 M	2.9 M
Number of customer complaints	1 200	8 000
Level of wastage (industry average 12.3%)	16%	29.2%
Net profit figures	\$2.8M	\$1.4M

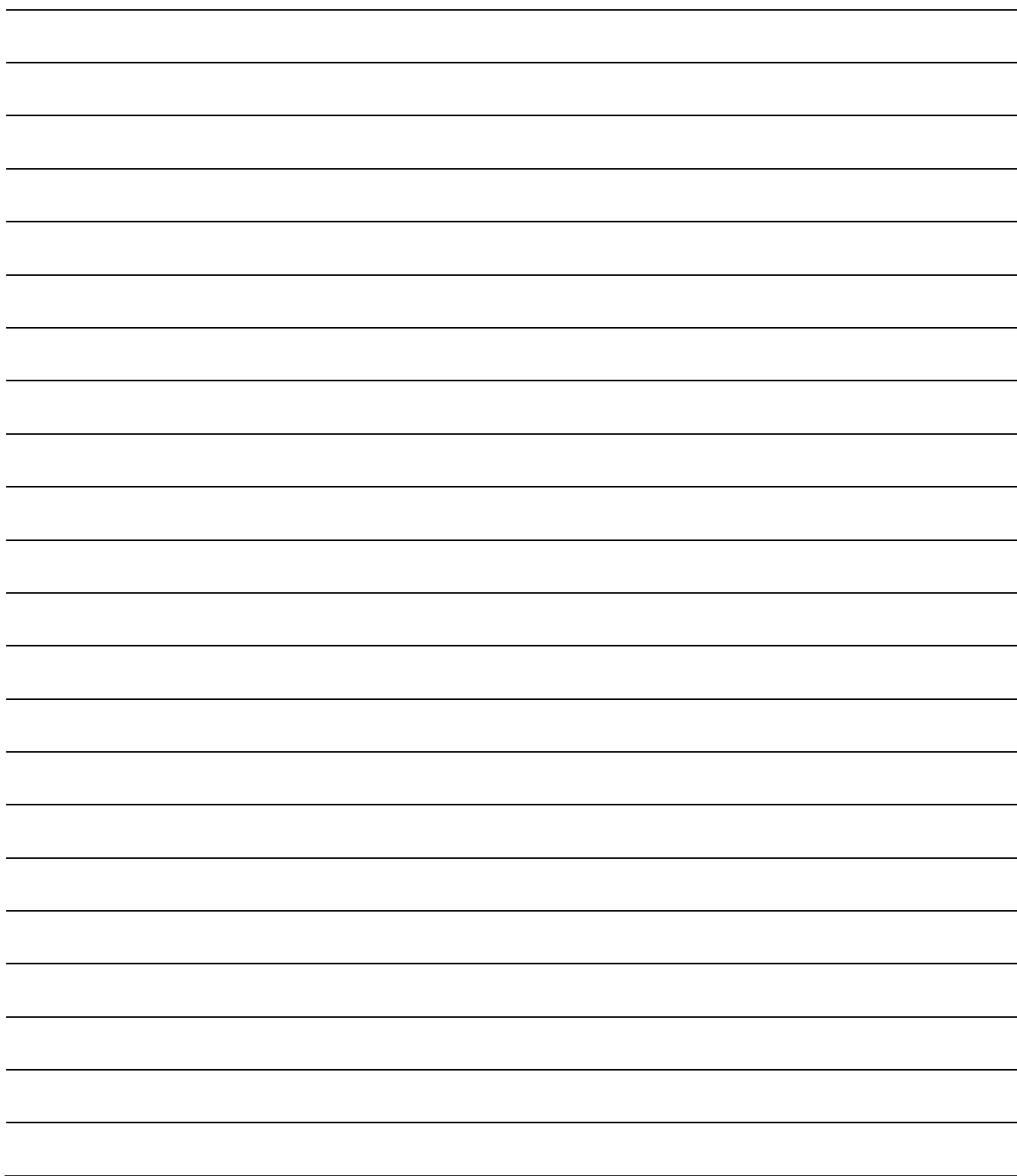
Note: This is a fictional article

Question 1 (26 marks)

- a. Propose and justify **three** different management strategies that could be used by Greenways Wholesale Nursery (GWN) to respond to the data for **three** of the key performance indicators (KPI's) in the above case study.

9 marks

[illegible]



Greenways Wholesale Nursery (GWN) is facing the need for major change.

- b. Explain the importance of leadership in change management by the CEO, Jordan Collins.

3 marks

High risk strategies include the use of manipulation and threat.

- c. Discuss the use of high risk strategies by the CEO, Jordan Collins at Greenways Wholesale Nursery (GWN).

4 marks

d. Explain how the use of **two** low-risk strategies could help to overcome employee resistance to change.

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Options being considered by senior management at Greenways Wholesale Nursery (GWN) include downsizing or changing suppliers.

- e. Discuss **two** corporate social responsibility considerations when implementing change at Greenways Wholesale Nursery (GWN).

6 marks

[illegible]

Question 2 (8 marks)

Using a contemporary business case study, from the past four years, outline how it employed Lewin's three-step change model. Describe the effect of change on employees as stakeholders of the business you have studied.

[illegible]

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[illegible]

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